

U.S. Small Business Administration



In Touch

With the Pittsburgh District Office

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SBA Online:
www.sba.gov

SBA Pittsburgh District Office Online:
www.sba.gov/pa/pitt/

Staff Directory:
www.sba.gov/pa/pitt/directory.html

*All of the SBA's programs and services
are provided to the public on a
nondiscriminatory basis*

Please Join Us for Our Open House!

Welcome incoming District Director Carl Knoblock
&
visit our new SBA and SCORE office complex!



Friday, January 28, 2005
11:00am-2:00pm

Small Business Administration
Pittsburgh District Office
411 Seventh Avenue – Suite 1450
Pittsburgh, PA 15219



We look forward to your visit and hope you can join us to share in the many new and exciting events taking place at the U.S. Small Business Administration. For further details, please call Raymond Becki or Carrie Herron at (412)395-6560, extensions 104 or 103 respectively or Don Nemchick at (412)322-6441.

Carl B. Knoblock, Pittsburgh District Office's District Director



Carl B. Knoblock assumed the position of District Director of the U.S. Small Business Administration's Pittsburgh Office on November 15, 2004. As District Director, Mr. Knoblock carries out the mission of SBA to support economic development and is responsible for the delivery of all SBA's programs in 27 counties in western Pennsylvania, including training, counseling, financial assistance, advocacy and procurement, and development of partnerships with SBA resource partners.

Mr. Knoblock is a graduate of Ball State University where he received a Bachelor's degree in Medical Technology in 1980 and a Masters' degree in Health Science in 1985. He brings a diverse background to the position, having worked in both the federal government and small business sector. His career started in a variety of positions in medical facilities before joining the U.S. Navy in 1981.

In 1985, he joined Occupation Safety & Health Administration (OSHA) as an industrial hygienist where he visited a wide variety of industries. He then joined the Veterans Administration in 1989 and later the Department of Navy as an industrial hygienist. At Delaware Technical Community College, Mr. Knoblock was a senior instructor in workforce development, and helped revise the Asbestos Abatement program for the State of Delaware.

Eventually, he started his own consulting field, assisting a variety of industries on environmental issues. Mr. Knoblock is a Certified Industrial Hygienist and Certified Hazardous Materials Manager. He subsequently left the environmental consulting business so he and his wife Phyllis could become foster parents, which he finds a deeply rewarding personal experience.

In 1993, Mr. Knoblock joined Sylvin Technologies, a small manufacturing company. During his time at Sylvin, he wore multiple hats including: regulatory affairs manager, human resources, information systems management, research and development, international marketing, and general manager. In 2003, he assisted the company in obtaining ISO 9000:2000 Registration.

Mr. Knoblock is a strong supporter of Pennsylvania Free Enterprise, a program that teaches high school juniors and seniors about free enterprise.

Carl and Phyllis have a daughter, Jillian, two cats, and two parakeets. Once Jillian is out of school for the summer, the family will move into a home in the Pittsburgh area. We welcome Carl to western Pennsylvania! **SBA**

SBA participates in 504 Ribbon Cutting Ceremony

District Director Carl Knoblock and Commercial Loan Specialist Stephen Drozda joined representatives of Altoona-Blair County Development Corporation (SBA 504 CDC intermediary), Enterprise Bank, and Community Development Corporation of Butler County for the Wigton Eye Care Associates, Inc. ribbon cutting ceremony on Wednesday, December 15, 2004.

The principals of Wigton Eye Care Associates, Inc., Jeffrey Wigton and Bill Wigton, have been providing 55 years of service to patients from Butler and the surrounding counties. Financing was provided for this new, state-of-the-art optometry (see photo below) by the U.S. Small Business Administration's 504 Loan Program, Enterprise Bank, and equity injection by the principals.

The 504 Loan Program is the SBA's economic development instrument that supports American small business growth and helps communities through business expansion and job creation. The program provides long-term, fixed-rate, subordinate mortgage financing for acquisition and/or renovation of capital assets including land, buildings and equipment. Virtually all types of for-profit small businesses are eligible for this program. This is an excellent program for commercial real estate developers to partner with SBA, CDC intermediaries, and lenders. For additional information on the 504 Loan Program, contact the Pittsburgh District Office at (412)395-6560. **SBA**



We just moved!

Please note that our new address is:

U.S. Small Business Administration
411 Seventh Avenue – Suite 1450
Pittsburgh, PA 15219

QUALITY CIRCLE

2005

Small Business Lending Conference

Seven Springs Mountain Resort March 10 & 11, 2005

Once again, the Western PA Association of SBA Guaranteed Lenders (WPASGL) welcomes all lenders and resource partners to return to the mountains for Quality Circle 2005! This year's Quality Circle will be held at Seven Springs Mountain Resort on Thursday & Friday, March 10 & 11, 2005.

QC2005 is the premier small business lending conference in Pennsylvania and possibly the entire Northeast. Quality Circle 2004 drew over 300 lenders and resource partners from around the region, and this year's program is expected to be better than ever. In today's economy, knowledge of SBA's loan programs and other credit risk mitigation tools are more important than ever, and Quality Circle has been designed to provide intensive training to both new and seasoned SBA lenders in a fun atmosphere.

This year's program will bring back some old favorites from the past several years and offer a number of new seminars and discussion topics as well. The Quality Circle offers programs of interest to both novice and experienced SBA lenders and also includes numerous programs of interest to our nonlending resource partners and service providers as well.

For new SBA lenders and resource partners, our popular introductory session entitled *SBA Lending 101* has now been split into two parts, covering the basic eligibility and underwriting parameters of SBA lending programs in *101*, and focusing on program delivery methods like LowDoc, *SBAExpress*, and Caplines and new policy changes in *SBA Lending 102*. Other planned SBA lending related breakout sessions and discussion topics include: *504 Basics*, *504 From Beginning to End*, *SBA Contract Financing*, *Covering Your Assets*, *Staying In "Formed" on SBA Application Documents*, *Effective SBA Loan Closings and Documentation*, *Making the Claim-SBA's Guaranty Purchase 7 Loan Liquidation Process*, *Disaster Planning & Business Recovery*, and many more. The conference will also expand its breadth of program offerings this year to include topics of general interest to commercial lenders and resource partners, tentatively including *The State*

of State Financing Programs in Pennsylvania, *The Quirks of Quickbooks*, *Closing the Deal*, *A Secondary Consideration*, and *Buying Into Business Acquisition Financing*.

This year's event will also include a Resource Fair for SBA and traditional lending resources and vendors to discuss their products and services available to conference participants during Thursday's luncheon program. The WPASGL will again host the now famous (or infamous!) lenders' party in the Matterhorn Lounge on Thursday evening for all Quality Circle attendees, featuring live entertainment.



Please join us for two days of training, education, interaction, networking, and FUN in the mountains! Seven Springs Mountain Resort is known as one of the best ski resorts in Pennsylvania, offering comfortable accommodations, and a myriad of recreational opportunities.

Overnight accommodations can be made by contacting the resort at (800) 452-2223 (**Please be sure to indicate that you are with the Guaranteed Lenders' conference**). Due to the limited number of rooms available during the ski season, **PLEASE MAKE YOUR ROOM RESERVATIONS ASAP; DON'T WAIT OR YOU MAY MISS OUT!** Rooms will only be guaranteed until February 6th.

Lodging rates for conference attendees are as follows:

\$98.00 per person, per night, single occupancy

\$73.00 per person, per night, double occupancy

Overflow accommodations may be made by contacting the Days Inn Donegal at (724)593-7536, the Days Inn Somerset at (814)445-9200, or the Log Cabin Motel in Donegal at (724)593-8200. Casual dress is suggested.



Changes to the SBA 7(a) Loan Program

approved on or after December 8, 2004 through the end of FY 2005.

On December 8, 2004, the FY05 Omnibus Appropriations Act was signed into law, which included the Small Business Reauthorization and Manufacturing Assistance Act of 2004 ("Reauthorization") and amended the Small Business Act ("SBAAct"). Effective December 8, 2004, the following are the changes to the 7(a) Loan Program. During the current fiscal year, the 7(a) Loan Program will have \$16.0 billion in lending authority.

	<u>Loans Approved 10/1/04 - 12/07/04</u>	<u>Loans Approved Beginning 12/08/04</u>
<u>Regular 7(a) Loan Program</u>		
Maximum Gross Loan Amount	\$2.0 million	No change
Maximum SBA Guarantee Amount	\$1.0 million	\$1.5 million
<u>SBA Express</u>		
Maximum Gross Loan Amount	\$250,000	\$350,000
<u>Community Express & Export Express</u>		
Maximum Gross Loan Amount	\$250,000	No change

The loan guaranty limit has increased from \$1.0 million to \$1.5 million under the Act. Any one small business borrower (together with its affiliates) may now obtain a loan or loans with a total SBA-guaranteed amount of up to \$1,500,000 outstanding. As a reminder, the 7(a) and 504 Loan Programs are combined when determining the maximum SBA guarantee amount that one borrower (including any affiliates) is permitted to have approved and outstanding.

Fees:

As a result of the Reauthorization, the 7(a) Loan Program becomes a zero subsidy loan program financed through fee income to the SBA from borrowers and lenders. The reauthorization allows the flexibility to adjust these fees, as long as they remain under the caps specified in the SBAAct, in order to maintain a zero subsidy rate for the 7(a) Loan Program. SBA intends to analyze these fees annually and make adjustments as necessary.

SBAExpress

The "Express Loan Program" covers loans made by a bank utilizing its own loan analyses, procedures, and documentation (guaranty rate not to exceed 50 percent). The maximum gross amount of an SBAExpress loan has increased from \$250,000 to \$350,000. The Reauthorization does not affect the CommunityExpress or the ExportExpress programs as they have a guaranty percentage that exceeds 50 percent.

The following chart sets forth the changes in the guaranty fee and the lender's yearly service fee applicable to all loans

<u>Fees</u>	<u>Loans Approved October 1, 2004 - December 7, 2004</u>	<u>Loans Approved December 8, 2004 - End of FY 2005</u>
<u>Guaranty Fee</u> [under 13 CFR 120.220(a)]		
<u>Short Term Loans (12 months or less)</u>	0.25 percent of SBA guaranteed portion.	No change.
<u>Loans with a Maturity greater than 12 months</u>		
<u>Total (Gross) Loan Amount</u> \$150,000 or less	2 percent of SBA guaranteed portion. Lender is permitted to retain up to 25 percent of the fee. (50 basis points)	No change.
\$150,001 to \$700,000	3 percent of SBA guaranteed portion.	No change.
\$700,001 – maximum loan amount	3.5 percent of SBA guaranteed portion.	No change.
<u>When SBA- Guaranteed Portion of Loan Amount is over \$1,000,000</u> \$1,000,001 to \$1,500,000	No additional fee because SBA's guarantee is limited to \$1,000,000.	An <u>additional</u> 0.25 percent on any SBA- guaranteed amount over \$1 million (a total of 3.75 percent on the SBA- guaranteed portion over \$1 million).
<u>Lender Yearly Service Fee</u> (under 13 CFR 120.220(f))	0.50 percent of the outstanding balance of the SBA guaranteed portion	No change.

Combination Financing/Piggyback Financing

Combination Financing is comprised of a loan guaranteed under the 7(a) Loan Program and a commercial loan not guaranteed by the federal government (in most cases, the SBA guaranteed loan was subordinate to the commercial loan). SBA does not consider a financing to be piggyback financing if SBA receives a senior lien on all the assets being financed, or if SBA and the commercial lender share the same lien position ("pari passu") on all the assets being financed. As of October 1, 2004, Combination Financing is not allowed. Questions concerning the program changes should be directed to the Pittsburgh District Office at (412)395-6560. ~~SBA~~

Changes to the SBA 504 Loan Program

In addition to the 7(a) Loan Program, FY05 Omnibus Appropriations Act included provisions governing the 504 Loan Program. During the current fiscal year, the 504 Loan Program will have \$5 billion in lending authority. Effective December 8, 2004, the following are the changes to the 504 Loan Program:

504 Loan/Gross Debenture Amount

SBA provides a 100 percent guaranty of a debenture that is sold as part of a pool of debentures to investors. Once the debenture is sold, a certified development company (CDC) then loans those funds to the borrower as a 504 loan. The following is a chart that sets forth the changes to the maximum 504 loan amount.

<u>Maximum 504 Loan Amount</u>	<u>Loans Approved Through 12/07/04</u>	<u>Loans Approved on or after 12/08/04</u>
Regular 504 loans	\$1.0 million	\$1.5 million
504 loans that meet a public policy goal (described in 501(d)(3) of the SBI Act)	\$1.3 million	\$2.0 million
504 loans to "small manufacturers" (new category, see 502(2)(B) of SBI Act as amended by Reauthorization)	N/A – category did not exist prior to the Reauthorization	\$4.0 million

As a reminder, the dollar amount of a 504 loan request from a small business is combined with all outstanding 504 and 7(a) guaranty loan balances of that same business (including all affiliates) when determining the maximum SBA guaranteed amount that one borrower is permitted to have approved and outstanding.

504 Project Job Requirements

The 504 Loan Program was principally designed to promote job creation. A CDC must demonstrate that each 504 project meets at least one of the following three economic development objections:

1. Creation of a specific number of jobs within 2 years of the completion of the project or the preservation or retention of jobs attributable to the project;
2. Improvement of the economy of the locality;
3. Achievement of one or more of the public policy goals specifically listed in Section 501(d)(3) of the SBI Act.

Note: If eligibility is based on the criteria in items 2 or 3 listed above, the overall loan portfolio of the CDC must also satisfy applicable job creation or retention criteria.

The following chart sets forth the changes in the reauthorization for the job creation and retention criteria regulations:

<u>Job Creation or Retention Requirement</u>	<u>As of 11/6/03 Federal Register Notice</u>	<u>For Loans Approved Beginning 12/08/04</u>
<u>Calculations Based on Individual Loans</u>		
Regular 504 Project	1 job for every \$50,000 guaranteed by SBA	Same except for a new provision for a Small Manufacturer (see below)
504 Project for a Small Manufacturer	Category did not exist	1 job for every \$100,000 guaranteed by SBA.
<u>Calculations Based on Total Loan Portfolio</u>		
CDC's total 504 Loan Portfolio	1 job for every \$50,000 in CDC's outstanding 504 loan portfolio	1 job for every \$50,000 in CDC's outstanding 504 loan portfolio, <u>excluding</u> 504 loans to Small Manufacturers and in Special Geographic Areas. *
Portion of CDC's 504 Loan Portfolio comprised of 504 projects located in Special Geographic Areas*	1 job for every \$65,000 in CDC's outstanding 504 loan portfolio	1 job for every \$75,000 in CDC's outstanding 504 loan portfolio, excluding 504 loans to Small Manufacturers.
Portion of CDC's 504 Loan Portfolio comprised of 504 projects to Small Manufacturers	Category did not exist	Loans to Small Manufacturers are excluded from the job requirement applicable to CDC's portfolio

*Special Geographic Areas means Alaska, Hawaii, State-designated enterprise zones, empowerment zones, enterprise communities, and labor surplus area.

504 Loans to Small Manufacturers

The Reauthorization permits 504 loans for Small Manufacturers for an amount up to \$4 million. Small Manufacturer is defined as a small business concern that has:

1. its primary business classified in sector 31, 32, or 33 of the North American Industrial Classification System (NAICS); and
2. all of its production facilities located in the United States.

For further details on the program changes, please contact the Pittsburgh District Office at (412)395-6560 or a 504 CDC intermediary. **SBA**

You are Invited!

Annual SBA Small Business Awards Luncheon

*Sponsored by the Western Pennsylvania Small Business Network
& Convened by the Pittsburgh Regional Alliance*

Friday, May 20, 2005
Westin Convention Center Pittsburgh
Trade Exhibit: 10:30am
Registration and Cash Bar: 11:00am
Awards Luncheon: 11:45am

The U.S. Small Business Administration-Pittsburgh District Office, in conjunction with the Western Pennsylvania Small Business Network (WPSBN) and the Pittsburgh Regional Alliance, will honor local entrepreneurs and advocates at the 29th Annual SBA Awards Luncheon on Friday, May 20, 2005 at the Westin Convention Center Pittsburgh, 1000 Penn Avenue, Pittsburgh, PA 15222.

"More than five hundred individuals attended the event again last year," commented Raymond N. Becki, SBA District Public Information Officer. "This year's event promises to be even bigger and better. We are presently negotiating to get a nationally recognized entrepreneur as the keynote speaker for the program," he added. "National Small Business Week is April 26-28, 2005, and we hope to have at least one national winner at the event in Washington, DC this year!"

Dr. Mary McKinney of Duquesne University Small Business Development Center (who serves as the Chairperson of the WPSBN) remarked, "The Western Pennsylvania Small Business Network is pleased once again to co-sponsor the SBA Awards Luncheon, the pre-eminent small business awards program in the state and one of the great programs in the country. We plan to offer our best program ever this year."

To attend the luncheon celebration, please submit a check made payable to the *Western PA Small Business Network* for \$35 per person or \$350 for a table of ten and forward it along with the list of attendees to:

Attn: Ms. Ellen Greek
Pittsburgh Regional Alliance
Regional Enterprise Tower
425 Sixth Avenue – Seventh Floor
Pittsburgh, PA 15219

Registrations received after May 6, 2005 will be \$40 per person or \$400 for a table of ten. For additional information, please contact Ellen Greek of the Pittsburgh Regional Alliance at (412)392-4555, x4506 or Raymond Becki of the SBA at (412)395-6560, x104. On-line reservations will be available soon.

We hope you will join the Pittsburgh District Office at the 2005 awards celebration to honor and congratulate these successful entrepreneurs and small business advocates who have contributed so much to the economic vitality of western Pennsylvania. **SBA**

Veteran's Small Business Workshop

Are you or someone you know a veteran who is looking to explore the possibly of entrepreneurship or have the desire to expand the operations of an existing business? If so, there are many resources available to provide assistance in these endeavors.

A program has been scheduled for Saturday, January 29, 2005 and attendees will receive information from the SBA and other small business experts on the following topics:

- ♦ Access to capital for starts-ups and expanding businesses
- ♦ Where to find assistance for your business plan
- ♦ To franchise or not to franchise
- ♦ Contracting with government agencies

Saturday, January 29, 2005
10:00am-2:00pm
Riverside Center for Innovation
700 River Avenue (North Shore)
Pittsburgh, PA 15212

If you are interested in attending or have further questions concerning this upcoming seminar, please contact Donald Nemchick at (412)322-6441 or via e-mail at donald.nemchick@sba.gov. There is no cost to attend this workshop.

Free on-site parking is available and lunch will be provided for attendees. This program is open to veterans of all eras, reservists, and their family members.



Improvements in Monitoring Federal Contract Awards

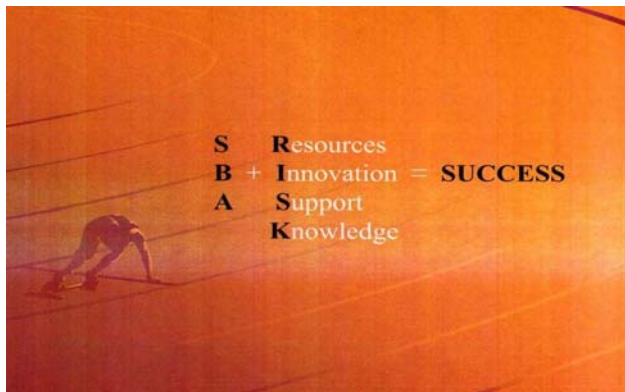
A new policy has been implemented by the U.S. Small Business Administration that enables the federal government to more accurately monitor contract awards when a small business is purchased or merged with a large business through the process of novation.

The new policy requires a business to recertify itself as small for federal contracts transferred to it from another business if the contract is to continue being counted as a small business contract. It will also assist small businesses in obtaining contracts as federal agencies seek out new small businesses for contracting opportunities.

The new policy was introduced in a final rule that amended the SBA's size regulations and appeal procedures for size determinations as a result of comments and recommendations. The policy recognizes that a business can be legitimately small when it is awarded the contract, but becomes a large business by merging or being acquired by another company. Until recently, that company did not need to recertify if it transferred the contract to the acquiring business.

In the novation process, once a small business has been acquired by means of a purchase or merger, the contract is rewritten to reflect the transfer of ownership and the small business owner must reaffirm its small business status by submitting a written self-certification statement to the contracting officer of the procuring agency. Once the small business status has been established by the new owner, the contracting officer can count the contract toward the agency's small business contracting goals.

When a small business becomes part of a large business through purchase or merger, federal contracts that are transferred to a large acquiring business needs to be properly counted as contracts now held by large businesses. Now that federal contracts may last as long as 20 years under multiple award contracts such as the General Services Administration Schedules, policies on small business reporting must take into account potential changes in business ownership and control that may occur over time. **SBA**



SBA Disaster Relief in Aftermath of Summer Hurricanes Tops \$1 Billion

The U. S. Small Business Administration has approved more than \$1 billion in low-interest disaster loans to about 33,600 residents and business owners in the areas affected by the late-summer rash of deadly hurricanes and floods.

As of January 12, 2005, 735 disaster loans for a total of \$31,905,800 were approved in western Pennsylvania as a result of the disaster that occurred in mid-September due to the heavy rainfall from Tropical Depression Ivan. This total consists of Home Disaster Loans, Business Physical Disaster Loans, and Economic Injury Disaster Loans (EIDL). Allegheny County received the largest number of loans followed by Washington County.

"It is unfortunate that we cannot prevent a disaster from occurring; however, we can provide businesses with the knowledge and tools needed to recover quickly from a disaster and to mitigate from future disasters. Disaster preparedness is important to remain viable, financially sound and ensure a company's continued success," said SBA Disaster Area Director William E. Leggiero, Jr. SBA appreciates the commitment and dedication of our resource partners who were instrumental in providing assistance to the disaster victims during this time.

The SBA makes low-interest disaster loans to homeowners, renters, and non-farm businesses of all sizes. Homeowners may borrow up to \$200,000 to repair disaster damaged primary residences. Homeowners and renters are eligible for loans up to \$40,000 to replace personal property such as furniture and clothing. Loans of up to \$1.5 million are available to eligible businesses of all sizes and non-profit organizations to repair damage to real estate, machinery, equipment, and inventory. Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million are also available to small businesses unable to pay bills or meet operating expenses.

Interest rates can be as low as 3.187 percent for homeowners and renters and 2.9 percent for businesses, with terms up to 30 years. Loan amounts and terms are set by the SBA and are based upon each applicant's financial condition.

To be considered for all forms of federal recovery assistance, disaster victims must first call the Federal Emergency Management Agency (FEMA) at 1-800-621-FEMA (3362).

For more information about SBA's disaster assistance program, visit SBA's web site at www.sba.gov/disaster. The Niagara Falls Disaster Area Offices, which services western Pennsylvania, can be reached at 1-800-659-2955. **SBA**

This Way UP

Building A World-Class Business Conference

March 15, 2005

Westin Convention Center,
Pittsburgh, Pennsylvania

The Small Business Administration-Pittsburgh District Office will participate with Seton Hill University's National Education Center for Women in Business as they host This Way Up: Building a World-Class Business, their eighth annual business conference and networking event.

This event is ideal for:

- ◆ Women entrepreneurs determined to increase sales and watch their profits climb.
- ◆ Business professionals who want to connect with today's most influential market - small business.
- ◆ Women who are thinking about launching their own business endeavor.
- ◆ Anyone with an entrepreneur spirit.
- ◆ You!

Why attend?

- ◆ To expand your understanding of business operation from world-renowned experts.
- ◆ To establish invaluable networking contacts with over 600 of today's community leaders.
- ◆ Most of all, to grow your business.

This event will be held at the Westin Convention Center, Pittsburgh, Pennsylvania on Tuesday, March 15, 2005. For further details, contact the National Education Center for Women in Business of Seton Hill University at (724)830-4625 or visit their web site at www.e-magnify.com.



8(a) Business Development Workshop

*Doing Business with
the Federal Government*



Contractors who are interested in doing business with the federal government are encouraged to attend the SBA's 8(a) Business Development Workshop. This program will inform attendees on how to become involved in the process and how to effectively market their business to the federal government.

WHO: Small Business Contractors

WHERE: Riverside Business Resource Center
700 River Avenue
Pittsburgh, PA 15212
(North Side, just minutes past the 9th Street Bridge, 3 blocks east of PNC Park)

WHEN: The last Wednesday of every month

TIME: 8:30am – 12:00pm

There is no cost to attend this workshop and free parking is available at the lot next to the building. To register for this free workshop, call (412)322-6441 or send an e-mail to donald.nemchick@sba.gov. **SBA**

Schedule C-EZ Change Means Savings for Small Businesses

Submitted by the IRS

The Internal Revenue Service announced late September that it will expand the number of small businesses eligible to file a simplified expense form, a move that will save money and reduce paperwork burden.

The IRS will double the business expense threshold to \$5,000 from \$2,500 for filing the Form 1040, Schedule C-EZ. The change will mean a savings of 5 million hours of paperwork burden for small business taxpayers. The threshold change means approximately 500,000 more small businesses – a 15 percent increase – will be able to file the Schedule C-EZ.

“This is another example of the IRS taking the lead in reducing the burden on taxpayers. The IRS’ Office of Taxpayer Burden Reduction is continually reviewing what steps we might take that will save money and work hours for both businesses and individuals,” said Mark W. Everson, Commissioner of the IRS.

The Form 1040, Schedule C-EZ was first established in 1992. It was intended to make it easier for small businesses with modest expenses to file a simplified form. Small business owners who file a Form 1040 use the Schedule C to report profits and expenses. **SBA**